

Labour Market Notes

Employment bounces back

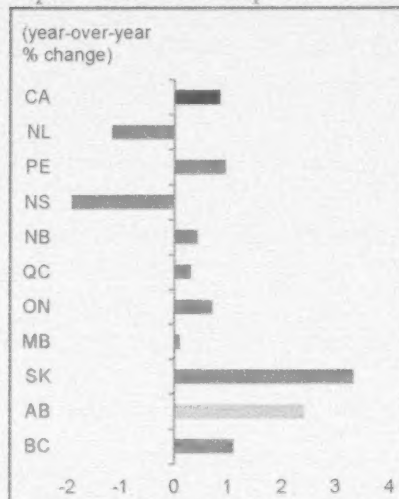
Alberta

- Job creation resumes. Alberta employment spiked by 21,200 jobs in September, more than offsetting the losses in the previous two months. September's surge was the largest monthly gain since June 2011.
- Majority of job gains were in the private sector. Private sector employment jumped by 28,400 while the public sector (-12,500) continued to shed jobs last month. Self-employment expanded by 5,400 jobs. Alberta gained 12,600 full-time jobs in September and 8,600 part-time jobs.
- Alberta continues to lead provinces in job growth. Alberta has added 69,100 over the first three quarters of 2014 compared with the same period last year. Alberta's year-to-date job growth continues to be the highest across the provinces at 3.1%.
- Unemployment rate falls. Alberta's unemployment rate fell by 0.5 percentage points to 4.4% in September. The rate remains the second lowest among the provinces behind Saskatchewan.
- Goods and services producing sectors add jobs. Service-producing industries added 19,100 jobs in September, with increases in educational services (15,900) and accommodation and food services (11,500) mainly responsible for the monthly gain. The forestry, fishing, mining, oil and gas industry (+17,900) propelled the goods-producing sector, which added 2,300 jobs in September.
- Earnings continue to move higher. Average weekly earnings rose to \$1,154 in July, a 4.8% year-over-year (y/y) increase. Robust earnings growth in the goods sector (7.2% y/y) has been propelled by the mining, oil and gas extraction (+13.9% y/y) industry. The service-producing sector has seen more modest AWE growth of 3.3% y/y.

Canada

- Employment bounces back. In September, Canadian employment (74,100) recorded its largest monthly gain since May 2013. The strong employment gains were broad-based with eight provinces posting job growth. Ontario (24,700) and Alberta (21,200) led provincial gains while Nova Scotia (-700) and PEI (-500) posted minor losses. Over the past 12 months, Canada has added 150,400 jobs, a modest 0.8% increase.
- Unemployment rate dips. The Canadian unemployment rate fell by 0.2 percentage points to 6.8% in September. This is the lowest rate since December 2008.
- A strong month for wages. Canadian average weekly earnings were \$940 in July, a 0.4% increase from June and 3.3% higher than July 2013. AWE hit its highest year-over-year growth rate since September 2012.

Employment Growth by Province,
September 2014 vs. September 2013



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,290,400
month-over-month change	21,200
year-over-year % change	2.4%
Alberta Unemployment Rate (UR)	4.4%
Edmonton UR**	5.6%
Calgary UR**	4.0%
Participation Rate	72.5%
Average Weekly Earnings (AWE)	\$1,153.81
year-over-year % change	4.8%
Average Hourly Wage	\$28.35
year-over-year % change	0.8%
Job Vacancy Rate**	2.5%

Source: Statistics Canada

* All data is from the Labour Force Survey for September except AWE, which is from the July Survey of Employment, Payrolls and Hours (SEPH), and the job vacancy rate is for June.

** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

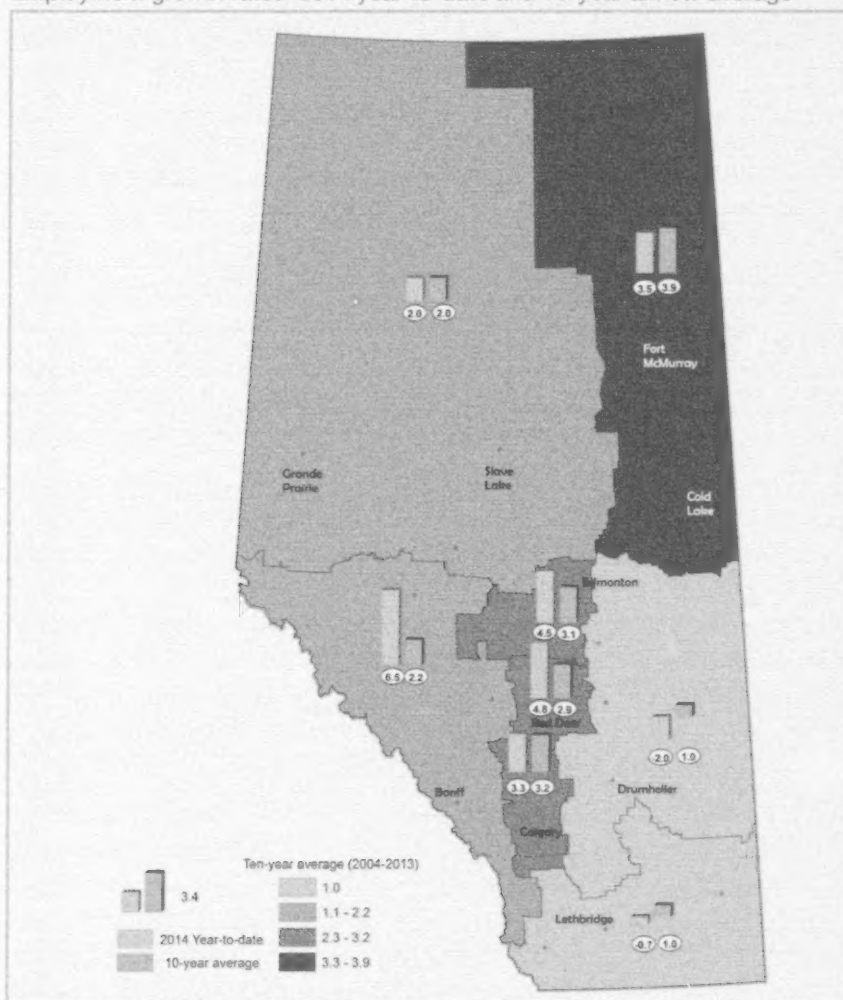
How have Alberta's regional labour markets performed this year?

Alberta employment growth has been well above the 10-year average so far this year. The overall strength of the province's labour market is reflected in the majority of regional labour markets that are continuing to expand. This Labour InSight examines the trends in employment growth in Alberta's economic regions.

Most regions post strong job growth

Six of the eight economic regions in Alberta have enjoyed solid employment growth over the first three quarters of this year. In fact, five regions have posted growth at or above their respective 10-year average. The strongest growth has been in the least populated region, Banff-Jasper-Rocky Mountain House (6.5%) while Lethbridge-Medicine Hat (-0.7%) has shed jobs so far this year.

Chart 1: Solid job growth across much of the province
Employment growth rates: 2014 year-to-date and 10-year annual average



Source: Statistics Canada

Camrose-Drumheller (-2.0%) is the only other region where employment has fallen this year; however, the region also has the lowest unemployment rate at 3.7% over this period.

Energy drives employment

The strong job growth in Banff-Jasper-Rocky Mountain House has been buoyed by the surge in horizontal drilling of conventional oil and gas wells in the area. The Wood Buffalo-Cold Lake region continues to benefit from oil sands project expansions, having the highest 10-year job growth rate at 3.9%, and currently sits at 3.5% year-to-date. The Athabasca-Grande Prairie-Peace River region has also benefited from oil sands and conventional oil and gas activity, posting employment growth of 4.1% in 2013 and 2.0% so far this year.

Job growth surging in cities

The three major population centers in the Alberta corridor have accounted for over 80% of Alberta's employment growth over the last decade. So far this year, the Edmonton (4.5%), Red Deer (4.8%) and Calgary (3.3%) regions have all seen job growth above their 10-year average. Alberta's two major cities have posted strong growth in the construction and the service-producing industries. Red Deer's growth is broad-based as the area has grown into a manufacturing and energy services hub.

Summary

The last decade has seen job growth across the province. This year, most regions have posted growth rates above their 10-year average. The broad-based job growth across regions has helped Alberta remain one of Canada's main engines of job growth.

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